

MASSACHUSETTS BOARD OF LIBRARY COMMISSIONERS
98 North Washington Street
Boston, MA. 02114-1933
Tel: 617-725-1860 Toll-Free:1-800-952-7403

Privatization of Public Libraries: A List of Information Resources
Maureen Killoran, Head, Public Library Advisory Unit

Introduction:

In response to requests from the library community, the Public Library Advisory Unit has developed a list of resources on the subject of public libraries and privatization. This information will be updated as needed.

A Message from the Board of Library Commissioners

Municipalities and Public Libraries that may be considering outsourcing the management of the library including such core elements of public library operations as administration, staffing, and collection development are advised to seek advice of counsel in regard to such matters as:

- MGL 78:11. Board of trustees; powers and duties--as it relates to the role of the elected or appointed board of trustees regarding library funding and custody and management of the library
- MGL 78:19A. State aid; determination—as it relates to the Municipal Appropriation Requirement
- MGL 78:19B. State aid; annual reports by libraries; requisites for aid. This section establishes minimum standards of free public library service (further defined in regulations 605 CMR 4.00: Free Public Library Service) that must be met in order for a municipality to be certified to receive State Aid to Public Libraries:
 - 1) Be open to all residents of the commonwealth
 - 2) Make no charge for normal library services
 - 3) Be kept open a minimum number of hours per week
 - 4) Employ trained personnel...
 - 5) Expend a reasonable portion of the library's total budget on library materials
 - 6) Lend books to other libraries in the commonwealth and extend privileges to the holders of cards issued by other public libraries in the commonwealth on a reciprocal basis
 - 7) Include in their annual report the total number of nonresident loans and nonresident circulation as a percentage of the library's total circulation...
- State Aid Distribution...Annual Budget Language specifies that “notwithstanding any general or special law to the contrary, any payment made to a city or town

from this item shall be deposited with the treasurer of the city or town and held in a separate account and shall be expended by the public library of the city or town without further appropriation...”

- MGL 78:34. Employment contracts for library directors
- MGL 30B. Uniform Procurement Act
- MGL 39:23A, 23B, 23C, 24. Open Meeting Law
- MGL 66. Public Records Law

The staff of the Board of Library Commissioners are available to answer basic questions about this issue. Municipalities and their public libraries are advised to carefully consider the impact of outsourcing (sometimes referred to as privatization) on eligibility for State Aid to Public Libraries. Certification in the State Aid program is essential to the provision of public library service in the Commonwealth. It is also a prerequisite to special grant funding including Public Library Construction and Library Services and Technology Act grants. State Aid certification requirements are not relaxed or modified in any way through outsourcing or privatization.

Privatization Defined:

“Privatization is the shifting of library service from the public to the private sector through transference of library management and/or assets from a government agency to a commercial company”

(from: “Outsourcing: A Public Library Checklist” American Library Association, August 2000)

Selected articles on privatization:

Periodical articles on the privatization of public library services are easily located through the state-funded periodical databases available at public libraries in Massachusetts. We used Infotrac’s [General One File](#) to locate full text copies of the following articles.

“Public library, private management”. by Mark Hemingway.
The American Enterprise, vol.13, no.5 July-August 2002

“When LSSI comes to town: public libraries, private company: the outsourcing compromise” by Norman Oder. *Library Journal*, October 1, 2004

“The Selling of the Public Library” by Patricia Glass Schuman.
Library Journal, August 1998

American Library Association Policy Statements and Reports on Privatization

Extensive information on this subject is available on the American Library Association website at www.ala.org/ala/oif/iftoolkits/outsourcing

“ALA affirms that publicly funded libraries should remain directly accountable to the publics they serve. Therefore, the American Library Association opposes the shifting of policy making and management oversight of library services from the public to the private for-profit sector” (Adopted by the ALA Council in 2001)

Outsourcing: A Public Library Checklist. American Library Association, August 2000
“The *Checklist* offers a conceptual framework to support thoughtful discussion and discourse about the topic of outsourcing among public librarians and local officials”

“Intellectual Freedom Committee Response to the Resolution in Council Document #24: Outsourcing and Privatization in American Libraries.”

The Impact of Outsourcing and Privatization on Library Services and Management. A Study for the American Library Association.

Robert S. Martin, Principal Investigator. June, 2000

Florida Public Libraries & Privatization: A Guide for Florida Library Boards and Friends, September, 2000. The Florida Library Association.

Available from the MBLC Professional Library. Please contact Brian Donoghue, Reference Librarian at 1-800-952-7403 or Brian.Donoghue@state.ma.us

“After lengthy study, the Florida Library Association Executive Board adopted the following statement in May, 1999”:

The Privatization of Publicly Funded Libraries – “The Florida Library Association believes it is not in the best interest of the residents of Florida for publicly supported libraries to be managed by for-profit organizations. Therefore the Association opposes any efforts to provide library services by contracting with such organizations”.

Municipal Service Delivery: Thinking Through the Privatization Option.

National League of Cities, December 1997.

Available for purchase from the National League of Cities (www.nlc.org). \$10.00 plus \$3.00 mailing
Available for loan from the MBLC Professional Library. Please contact Brian Donoghue, Reference Librarian at 1-800-952-7403 or Brian.Donoghue@state.ma.us

The following is a summary of this Report which appeared in the article: “Doing Privatization Right” by Inge Fryklund. *Perspectives on the Professions, vol.18, No.1, Fall, 1998.* The Center for the Study of Ethics in the Professions. Illinois Institute of Technology. (<http://ethics.iit.edu/perspective>)

..the decision to privatize should always come after a careful, well-informed assessment of costs and benefits, not before. Here are some of the important stages the decision to privatize should include:

Potential Competitors: Ask: Is the service proposed for privatization performed by the private sector or at least likely to be? If so, will the local marketplace have enough potential vendors both now and for the foreseeable future to assure competition?

Outsourcing to a monopoly provider is unlikely to be an improvement over government service.

Understand Problems with the Current Process. The impetus for privatization is usually dissatisfaction with the current operations. Before jumping to privatization, take the time and effort to analyze the problem. What are the internal inefficiencies driving current costs? Could the operation be improved? ... an in-house but streamlined operation may be the most cost-effective alternative.

Analyzing the problem in this way is also key to ethical treatment of employees. A decision to privatize rather than improve in-house operations may amount to punishing workers for the sins of management. Employee input at this stage can be very helpful.

Determine Costs of In-House and Project Outsourced Alternatives. ...Activity based costing is indispensable for responsible decision making about outsourcing of activities.

Recognize Transaction Costs. Conducting cost studies, finding vendors, and negotiating, drafting, and monitoring contracts all cost money. Honest and accurate assessment of these costs is necessary

Make Contracting Opportunities Widely Known.

The Decision to Privatize. With all cost information in hand, the basis for the decision to privatize, and the choice of a vendor, should be stated clearly and publicly.

Contract Drafting. Government should use the contract to make clear what it wants to achieve and how performance will be measured and monitored.

Contract Monitoring. Plan for monitoring for the life of the contract and budget for the time and expertise required. Too many privatization efforts have failed because government allowed the contract to go on autopilot.

LSSI - Library Systems and Services, LLC

This company appears to be the primary provider of for-profit, public library management services. The following information is provided for the purpose of professional awareness. This does not constitute an endorsement or recommendation of this Company's services by the Massachusetts Board of Library Commissioners.

The following information is taken directly from the LSSI website (www.lssi.com):

Library Systems & Services, LLC
Headquarters
12850 Middlebrook Road
Suite 400
Germantown, MD 20874-5244
Toll-free: 800.638.8725 Email: Issi@lssi.com general information

About LSSI

Founded by library professionals, Library Systems & Services, LLC is the country's premier provider of library management services.

The innovative solutions and new options we provide communities, city officials and library professionals are designed to help them successfully surmount their challenges and create a brighter future for their library.

Since 1981, LSSI has been partnering with communities to provide more efficient and effective ways to manage new and existing library operations.

We specialize in helping communities create a fresh, revitalized, new beginning for their library:

- implementing cost-saving efficiencies
- locating un-tapped funds
- harnessing today's electronic resources
- creating community outreach programs

LSSI is continually finding innovative ways to help the libraries and communities it serves to become more successful.

Library Management Services

LSSI's goal is to help you provide a brighter future for your library. We partner with you to first identify the unique needs of your community--sometimes very simple needs, more often very complex problems--then we design a customized plan specific to your challenge.

Responsibility

We take full responsibility for developing and implementing your library's programs, technology plans, collection development, staff development, long range planning and the overall day-to-day management of the library.

Expertise

We not only bring you operational expertise, but we can help your community to conceive, develop and establish new libraries as well as assist in the design and expansion of existing facilities.

Improvement

With creative, experienced, and skilled management, the libraries we operate:

- are open longer hours
- provide more books and materials
- are easier to use
- provide better customer service
- operate more effectively at lower cost per hour

LSSI does not set policies or acquire any library assets. The libraries remain free and open for the public to use.

Communities Served By LSSI-Managed Libraries

Arlington, TN

Sam T. Wilson Public Library

Collierville, TN

Lucius E. and Elsie C. Burch, Jr. Library

Finney County, KS

» Garden City, KS

Finney County Public Library

Germantown, TN

Germantown Community Library
 Germantown Regional History and Genealogy Center

Jackson County, OR**Jackson County Library Services**

- » Applegate, OR
- » Ashland, OR

Applegate Branch Library
 Ashland Regional Library

- » Phoenix, OR
- » Prospect, OR

Phoenix Branch Library
 Prospect Branch Library

- » Butte Falls, OR

Butte Falls Branch Library

- » Rogue River, OR

Rogue River Branch Library

- » Central Point, OR
- » Eagle Point, OR

Central Point Branch Library
 Eagle Point Branch Library

- » Ruch, OR
- » Shady Cove, OR

Ruch Branch Library
 Shady Cove Branch Library

- » Gold Hill, OR
- » Jacksonville, O

Gold Hill Branch Library
 Jacksonville Branch Library

- » Talent, OR
- » White City, OR

Talent Branch Library
 White City Branch Library

- » Medford, OR

Central Library

Lancaster, TX

Lancaster Veterans Memorial Library

Leander, TX

Leander Public Library

Madison County, TN

- » Jackson, TN

Jackson-Madison County Library
 Library North

Millington, TN

Millington Public Library

Moorpark, CA

Moorpark City Library

Red Oak, TX

Red Oak Public Library

Redding/Shasta County, CA**Shasta Public Libraries**

- » Anderson, CA
- » Burney, CA
- » Redding, CA

Anderson Library
 Burney Library
 Redding Library

Riverside County, CA

- » Anza
- » Calimesa
- » Canyon Lake
- » Cathedral City
- » Coachella

Anza Library
 Calimesa Library
 Canyon Lake Library
 Cathedral City Library
 Coachella Library

- » Mecca
- » Mission Trail
- » Norco
- » Nuvview, CA
- » Palm Desert, CA

Mecca Library
 Mission Trail Library
 Norco Library
 Nuvview Library
 Palm Desert Library

- » Coachella Valley

Coachella Valley Bookmobile

- » Paloma Valley, CA

Paloma Valley Library

- » Desert Hot Springs
- » Eastvale
- » El Cerrito
- » Glen Avon

Desert Hot Springs Library
 Eastvale Library
 El Cerrito Library
 Glen Avon Library

- » Perris, CA
- » Rubidoux, CA
- » Romoland, CA
- » San Jacinto, CA

Perris Library
 Louis Robidoux Library
 Romoland Library
 San Jacinto Library

- » Highgrove
- » Home Gardens

Highgrove Library
 Home Gardens Library

- » Sun City, CA
- » Temecula, CA

Sun City Library
 Temecula Public Library

» Idyllwild	Idyllwild Library		Grace Mellman Community Library
» Indio	Indio Library	» Thousand Palms	Thousand Palms Library
» La Quinta	La Quinta Library	» Valle Vista	Valle Vista Library
» Lake Elsinore	Lake Elsinore Library	» West County	West County Bookmobile
» Lakeside	Lakeside Library	» Woodcrest	Woodcrest Library
» Lake Tamarisk	Lake Tamarisk Library		
San Juan, TX	San Juan Public Library		

Employment issues which need to be considered in the process of privatization:

Unionization and Collective Bargaining Contracts
Pension programs
Health Insurance coverage
Job Security

Articles concerning employment issues:

“AFSCME Privatization Update. Information on the latest activities, problems, and issues in the contracting out of public services”

(www.afscmeinfocenter.org/privatizationupdate/library)

“Public Libraries for Profit, November 27, 2007”. (www.inthesetimes.com/article/3419)

The following are some of the legal issues which a municipality or library needs to discuss with legal counsel when considering the privatization of library services in Massachusetts. (Citations are to the Massachusetts General Laws which are available at the following website: www.mass.gov/legis/laws/mgl)

Massachusetts Library Laws:

Employment contracts for library directors: (MGL Chapter 78, Section 34)

State Aid to Public Libraries: (MGL Chapter 78, Sections 19A, 19B)

Trustee Law: (MGL Chapter 78, Section 10, 11, 12, 13)

Other Massachusetts Laws:

Open Meeting Law (MGL Chapter 39, Sections 23A, 23B, 23C, 24)

Legal concerns regarding the Open Meeting Law in Massachusetts should be directed to municipal counsel or a local District Attorney.

The Massachusetts League of Women Voters publishes a helpful guidebook to the Open meeting Law

(free download: www.lwvma.org/guidetoopenmeetings.shtml)

Public Records Law (MGL Chapter 66)

Secretary of the Commonwealth/Public Records Division

(www.sec.state.ma.us/pre)

Guide to the Massachusetts Public Records Law, 2008

(free download: www.sec.state.ma.us/pre/prepdf/guide/pdf)

Uniform Procurement Act: (MGL Chapter 30B)

Massachusetts Inspector General's website (www.mass.gov/ig)

Municipal, County, District, and Local Authority Procurement of Supplies, Services, and Real Property. 2006. Massachusetts Office of the Inspector General.

(free download: www.mass.gov/ig/pub/30bmanl.pdf)